

SECRET
NOFORN

Section

TANL 100090010-5

Page

1. Introduction
2. Two Charts
3. Practical Illustrations
4. Useful Information
 - a. Federal Employees Compensation Act
 - b. Retirement
 - c. Social Security
 - d. Federal Employees Group Life Insurance
 - e. Overseas Medical Benefits
 - f. *Health*
Government Employees Hospitalization Association Programs
 - g. Mortgage Insurance (yrs)
 - h. Savings
 - i. Do I Need a Will?
 - j. Burial in National Cemeteries
 - k. Survivor Benefits
5. What Benefits and Casualty Division Can Do for You
 - a. Casualty Program
 - b. Important Documents You Should Have

SECRET
NOFORN

2
This document is part of an integrated file. If separated from the file it must be subjected to individual systematic review.

~~SECRET
NOFORN~~*Re & pencil
is DDPCh 10/2
MAB*INTRODUCTION

In this special edition of the Support Bulletin we have set forth in laymen's terms the financial benefits that are available to our employees including those which derive from Government employment and those which are unique to the Organization.

We
 It is our hope that this outline will be helpful to ^{you} everyone in planning ^{your} personal financial affairs. It should merit the particular attention of the head of a household ^{and} who must provide for the future welfare of ^{his} family. *These of you who are*
^{your}

Sound personal financial planning depends in large measure on ~~one's~~ ability to look well ahead in making provisions for periods of sickness and the possibility of death, the education of children, the acquisition of property, and the financing of a comfortable retirement. ~~It is the responsibility of the Organization to develop~~
~~our~~ a positive program of benefits and ~~to assist all personnel in making the best use of~~
~~these~~ opportunities. It is this latter aspect of our program which we especially emphasize in this issue of the Support Bulletin. The benefits described here ~~are~~ are not new, but the ways in which they can be applied to meet ^{your} the various requirements ~~of our~~
~~personnel~~ have never before been presented in ~~an~~ integrated form.

where you
 It is well known that ~~the ease with which you can do business~~ determines where you do business. In order to insure that Organization benefit programs are used, we are therefore introducing a direct, ~~true name~~ correspondence channel between persons located overseas and the Benefits and Casualty Division of the Office of Personnel. *for the*
 Naturally those letters into which operational or other classified matters are introduced must follow the normal classified channels but in most instances correspondence about benefits can ~~be~~ true names.

Finally, the Benefits and Casualty Division, at your request, ~~will~~ establish and maintain a personal file in which may be placed or recorded data and records of a personal and financial nature. This file will be helpful to you in your planning and will facilitate the eventual establishment of retirement rights, claims under the various insurance protection programs, and the settlement of your estate in the event of death.

HOW TO DRAW UP YOUR OWN BALANCE SHEET

Whether or not you choose to develop a personal file, it is important that you and your wife draw up a balance sheet of your financial situation as it is today and as it will be in the future. Such a balance sheet should reflect your financial requirements and the resources at your disposal to meet them. *present and anticipated*

In reviewing your situation and making your forecast, your first assumption will be that your earning power will continue until you retire. Under this assumption, the average ~~Government~~ employee has two problems: first, how to prepare for the expensive ^{plan}

~~SECRET
NOFORN~~

SECRET
NOFORN

years when educational, mortgage, and living-standard costs are highest; second, how to be in a position to retire.

The need for such planning has been strikingly illustrated during ~~recent~~ ^{past} years of ~~Organization~~ ^{your} operation. Personnel returning from overseas have discovered that the establishment of a household and the maintenance of a comfortable standard of living require some capital investment. Those who have saved during their early years of employment and during overseas tours are able to meet these requirements handily. Others have suddenly found themselves faced with a heavy, long-term debt load and sometimes a standard of living well below that enjoyed by the average ~~government~~ employee drawing the same salary.

Similarly, some of ~~our~~ ^{your} employees are in a position to "live it up" after ~~they~~ ^{you} retire and are in such a position as a result of careful planning. Unfortunately, there are others, who must plan to pay debts and mortgages from their reduced ^{new} retirement income and to whom retirement means an abrupt end to many of the pleasures ~~they~~ ^{you} now enjoy.

Your second assumption will take into account the possibility of illness or death. Again, if you have children, your planning should include, on a reduced scale, provision for the "expensive years," not just subsistence. ~~The government and the Organization~~ ^{are sponsored} ~~sponsor~~ vitally important programs to meet all contingencies under this assumption.

Naturally any balance sheet will be drawn in such a way as to operate in your interest under either assumption. No one can tell you exactly how to weight your own plan. Knowledge of your rights under the law and of ^{new} opportunities to save and protect yourself should, however, influence your planning and may make possible things that today appear to be out of reach.

These rights and opportunities may ~~best~~ be set forth schematically
~~in charts 1 and 2.~~

SECRET
NOFORN

SECRET
NOFORN

PRACTICAL ILLUSTRATIONS OF FINANCIAL PLANNING

Set forth below are an actual estate and planning program of an Organization employee earning slightly more than 12,000 dollars annually and suggested programs for incomes of 7,500 dollars and 5,500 dollars. In these three illustrations, it is assumed that the employee is survived by a widow and two minor children. In addition, the actual and suggested programs are built on those plans available to ~~Government employees and those available to new employees~~. No outside income, insurance, or sources of investment have been included. While these illustrations demonstrate that well-rounded programs may be established from Government and Agency sources, employees may develop similar programs from outside sources.

PLAN I -- Annual Income Slightly More Than 12,000 Dollars

	<u>YEARLY COSTS (Dollars)</u>	<u>FACE VALUE</u>
FEGLI Insurance	84.50 per year	13,000.00
GEHA Insurance		
UBLC	109.80 per year	15,000.00
WAEPA	125.00 per year	15,000.00
Income Replacement	120.80 per year	
Hospitalization	88.80 per year	
Nine Dread Diseases	10.00 per year	
Credit Union Savings 50 dollars per month*	600.00 per year	
Civil Service Retirement	<u>780.00 per year</u>	
 Total	 1,918.90 per year	

*Many employees use the Savings Bond payroll deduction plan for this purpose.

BENEFITS

Now, what does the employee or his family get under varying circumstances?

We will assume the following:

Employee Age - 47
Government Service - 15 years
Program in effect - 7 years

Employee Dies Natural Death

<u>Widow Receives:</u>	<u>Dollars</u>
FEGLI	13,000.00
UBLIC	15,000.00
WAEPA	15,000.00
Credit Union	4,200.00 plus dividends
Civil Service Annuity to Widow and two children	2,775.00 annual annuity

Employee Killed Accidentally NOT in Performance of Duty

<u>Widow Receives:</u>	<u>Dollars</u>
FEGLI	26,000.00
UBLIC	30,000.00
WAEPA	40,000.00
Credit Union	4,200.00 plus dividends
Civil Service Annuity to Widow and two children	2,775.00 annual annuity

Employee Killed Accidentally in Performance of Duty

<u>Widow Receives:</u>	<u>Dollars</u>
FEGLI	26,000.00
UBLIC	30,000.00
WAEPA	40,000.00
Credit Union	4,200.00 plus dividends
Civil Service Retirement	Refund of deductions plus interest
FECA	525.00 per month tax free

Employee or Dependents Hospitalized in United States

Not Job Connected

Hospitalization Insurance pays 13 dollars and 50 cents per day up to 90 days and 202 dollars and 50 cents for hospital extras, plus 75 per cent of balance up to 5,000 dollars. Also surgeons' fees per contract schedule.

If employee is ill more than 30 days he receives 100 dollars per week for period of incapacity up to 10 years, if due to illness, and for life if due to accident.

~~SECRET~~
~~NOFORN~~

SECRET

Approved For Release 2001/07/28 : CIA-~~REFORM~~4724A000100090010-5

beginning with the 51st day.

you your
Should employee or his family be stricken by one of the nine dread diseases
you can have up to 10,000 dollars worth of coverage for each incidence of each
such disease in addition to the above. *(Underlined)*

Employee Retires at Age 62

a. FEGLI Insurance continues without further premium payments but is reduced beginning at age 65 to 25 per cent of original coverage;

b. UBLIC and WAEPA Insurance can be converted without physical examination but premiums are standard rates;

c. Credit Union principal would be 13,200 dollars plus dividends, which at 3 per cent (a conservative figure) would amount to 396 dollars;

d. Civil Service Retirement Annuity with survivor benefits ~~6,255.98~~ dollars annual annuity;

e. Present hospitalization policy can be maintained directly with underwriter at 25 per cent increase in premium.

PLAN II -- Annual Income of 7,500 Dollars

	<u>YEARLY COSTS (Dollars)</u>	<u>FACE VALUE</u>
FEGLI Insurance	52.00 per year	8,000.00
GEHA Insurance		
UBLIC	65.88 per year	9,000.00
Income Replacement	90.60 per year	
Hospitalization	88.80 per year	
Nine Dread Diseases	10.00 per year	
Credit Union Savings 25 dollars per month*	300.00 per year	
Civil Service Retirement	487.50 per year	
 Total	 1,094.78 per year	

*Many employees use the Savings Bond payroll deduction plan for this purpose.

BENEFITS

Now, what does the employee or his family get under the varying circumstances? We will assume the following:

SECRET
NOFORN

Approved For Release 2001/07/28 : CIA-RDP78-04724A000100090010-5

Employee Age - 40
Government Service - 15 years
Program in effect - 7 years

Employee Dies Natural Death

<u>Widow Receives:</u>	<u>Dollars</u>
FEGLI	8,000.00
UBLIC	9,000.00
Credit Union	2,100.00 plus dividends
Civil Service Annuity to Widow and two children	approximately 2,184 dollars annual annuity

Employee Killed Accidentally NOT in Performance of Duty

<u>Widow Receives:</u>	<u>Dollars</u>
FEGLI	16,000.00
UBLIC	18,000.00
Credit Union	2,100.00 plus dividends
Civil Service Annuity to Widow and two children	2,184.00 annual annuity

Employee Killed Accidentally in Performance of Duty

<u>Widow Receives:</u>	<u>Dollars</u>
FEGLI	16,000.00
UBLIC	18,000.00
Credit Union	2,100.00 plus dividends
Civil Service Retirement	Refund Deduction Plus Interest
FECA	437.50 per month tax free

Employee or Dependents Hospitalized in United States

Not Job Connected

Hospitalization Insurance pays 13 dollars and 50 cents per day up to 90 days and 202 dollars and 50 cents for hospital extras, plus 75 per cent of balance up to 5,000 dollars. Also surgeons' fees per contract schedule.

If employee is ill more than 30 days he receives 75 dollars per week for covered period up to two years, if due to illness and for life if due to accident, beginning with the 31st day.

~~SECRET~~

Should you or your family be stricken by one of the nine dread diseases you can have up to 10,000 dollars worth of coverage for each incidence of each such disease in addition to the above.

Employee Retires at Age 62

without further premium payments

- a. FEGLI Insurance continues ~~free~~ but is reduced, beginning at age 65, to 25 per cent of original coverage;
- b. UBLIC Insurance can be converted without physical examination but premiums are standard rates;
- c. Credit Union principal would be 8,700 dollars plus dividends;
- d. Civil Service Retirement Annuity with survivors' benefits ^{would be} ~~annual annuity~~ 4,920 dollars
- e. Present hospitalization policy can be maintained directly with underwriter at 25 per cent increase in premium.

PLAN III -- Annual Income of 5,500 Dollars

	<u>YEARLY COSTS (Dollars)</u>	<u>FACE VALUE</u>
FEGLI Insurance	39.00 per year	6,000.00
GEHA Insurance		
UBLIC	43.92 per year	6,000.00
Income Replacement	60.40 per year	
Hospitalization	88.80 per year	
Nine Dread Diseases	10.00 per year	
Credit Union Savings 10 dollars per month*	120.00 per year	
Civil Service Retirement	<u>357.50 per year</u>	
 Total	 719.62 per year	

*Many employees use the Savings Bond payroll deduction plan for this purpose.

NOTE: WAEPA Insurance is omitted from this Plan since it is felt that employees' salary normally would not justify carrying more than the amount of insurance listed above. WAEPA would, of course, be available to the employee.

~~SECRET~~
NOFORN

BENEFITS

Now, what does the employee or his family get under varying circumstances?
We will assume the following:

Employee Age - 30
Government Service - 6 years
Program in effect - 2 years

Employee Dies Natural Death

<u>Widow Receives:</u>	<u>Dollars</u>
FEGLI	6,000.00
UBLIC	6,000.00
Credit Union	240.00 plus dividends
Civil Service Annuity to Widow and two children	1,454.00 annual annuity

Employee Killed Accidentally NOT in Performance of Duty

<u>Widow Receives:</u>	<u>Dollars</u>
FEGLI	12,000.00
UBLIC	12,000.00
Credit Union	240.00 plus dividends
Civil Service Annuity to Widow and two children	1,454.00 annual annuity

Employee Killed Accidentally in Performance of Duty

<u>Widow Receives:</u>	<u>Dollars</u>
FEGLI	12,000.00
UBLIC	12,000.00
Credit Union	240.00 plus dividends
Civil Service Annuity to Widow and two children	Refund of deductions plus interest
FECA	320.83 per month, tax free

Employee or Dependents Hospitalized in United States

Not Job Connected

Hospitalization Insurance pays 13 dollars and 50 cents per day up to

CIVIL SERVICE ANNUITY CHART

Approved For Release 2001/07/28 : CIA-RDP78-04724A000100090010-5
EMBER 30, 1956

LENGTH OF SERVICE

YEARS

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100

AVERAGE SALARY
DOLLARS
20,000

18,000

16,000

14,000

12,000

10,000

8,000

6,000

4,000

2,000

0

1,000

2,000

3,000

4,000

5,000

6,000

7,000

8,000

9,000

10,000

11,000

12,000

13,000

14,000

15,000

16,000

17,000

(Use after info
for p. 13)

HOW TO USE THIS CHART

STEP 1 FIGURE THE YEARS AND MONTHS OF SERVICE YOU WILL HAVE AT THE TIME YOU EXPECT TO RETIRE. PLACE A MARK AT THE APPROPRIATE PLACE ON THE "LENGTH OF SERVICE" SCALE.

STEP 2 DETERMINE YOUR "HIGH-FIVE" AVERAGE SALARY. PLACE A MARK AT THE APPROPRIATE PLACE ON THE "AVERAGE SALARY" SCALE.

STEP 3 DRAW A STRAIGHT LINE FROM THE PLACE MARKED ON THE "LENGTH OF SERVICE" SCALE THROUGH THE PLACE MARKED ON THE "AVERAGE SALARY" SCALE AND EXTEND THE STRAIGHT LINE TO THE "ANNUITY" SCALE. THE READING AT THE INTERSECTION ON THE "ANNUITY" SCALE WILL BE THE APPROXIMATE AMOUNT OF YOUR BASIC YEARLY ANNUITY.

FOR EXAMPLE TO DETERMINE THE BASIC YEARLY ANNUITY OF AN EMPLOYEE WITH 23 YEARS AND 6 MONTHS SERVICE AND A "HIGH-FIVE" AVERAGE SALARY OF \$4,400, DRAW A LINE CONNECTING 23 YEARS, 6 MONTHS ON THE "LENGTH OF SERVICE" SCALE AND \$4,400 ON THE "AVERAGE SALARY" SCALE AND EXTEND THE LINE TO THE "ANNUITY" SCALE. THE READING ON THE "ANNUITY" SCALE IS THE APPROXIMATE BASIC YEARLY ANNUITY. IN THE EXAMPLE, THE BASIC ANNUITY IS \$1918.

NOTE: A LENGTH OF SERVICE CANNOT INCLUDE ANY SERVICE FOR WHICH A REFUND HAS BEEN PAID, UNLESS THE REQUIRED REDEPPOSIT IS MADE BEFORE RETIREMENT IS EFFECTIVE.

B. BASIC ANNUITY CANNOT BE GREATER THAN 80% OF AVERAGE SALARY

C. BASIC ANNUITY IS SUBJECT TO REDUCTION IF (A) DEDUCTIONS ARE NOT IN THE FUND FOR ANY SERVICE SINCE AUGUST 1, 1920, (B) RETIREMENT-EXCEPT FOR DISABILITY- IS BEFORE AGE 60, (C) A SURVIVOR-TYPE ANNUITY IS ELECTED AT RETIREMENT.

D. IF RETIREMENT IS UNDER THE DISABILITY PROVISION USE THIS CHART ONLY IF THE RESULTING RATE IS HIGHER THAN THE GUARANTEED MINIMUM.

SECRET

Approved For Release 2001/07/28 : CIA-RDP78-04724A000100090010-5

90 days ^{over} 202 dollars and 50 cents for hospital extras, plus 75 per cent of balance up to 5,000 dollars. Also surgeons' fees per contract schedule.

If employee is ill more than 30 days he receives \$50 dollars per week for ~~covered period~~ ^{up to 100 days} years, if due to illness and for life if due to accident beginning with the 31st day. ^{inexpensive}

Should you or your family be stricken by one of the nine dread diseases you have up to 10,000 dollars worth of coverage for each incidence of each such disease in addition to the above.

Employee Retires at Age 62

a. FEGLI Insurance continues ^{without further premium payment} free but is reduced beginning at age 65 to 25 per cent of original coverage;

b. UBLIC Insurance can be converted without physical examination but premiums are standard rates;

c. Credit Union principal would be 4,080 dollars plus dividends;

d. Civil Service Retirement Annuity with survivor benefits ^{would be} 3,756 dollars annual ^{annuity};

e. Present hospitalization policy can be maintained directly with underwriter at 25 per cent increase in premium.

The three programs illustrated above provide immediate protection to cover sudden death and unexpected misfortunes both to ~~one's~~ self and to ~~one's~~ family. One of the term insurance policies can be used in lieu of mortgage insurance on your home. The savings account will help to provide for the children's education or temporary emergencies. Your retirement annuity should provide a reasonable living when you retire.

How are your affairs? Review the list below ¹⁶ and see if changes are needed in your present program.

SECRET
NOFORN

Approved For Release 2001/07/28 : CIA-RDP78-04724A000100090010-5

SECRET
NOFORN

ASSETS

ADEQUATE NOT ADEQUATE

Average Bank Account
Savings Account
War Bonds
Stocks and Bonds
Other Savings
Equity in Home
Life Insurance
Health Insurance
Retirement income
Education Fund

LIABILITIES

Debts (Monthly Payments on Car, Furniture, etc.)

11
SECRET
NOFORN

USEFUL INFORMATION

In this section we have provided information which may be useful in your review of your personal and financial affairs.

Statutory and Organization Benefits

You are entitled to certain benefits as a result of your Government employment. Other benefits are unique to Organization employment, including the insurance plans offered by the Government Employees' Health Association (GEHA).

Statutory Benefits

Government Sponsored Benefits

Federal Employees' Compensation Act

~~Civil~~ employees of the Government are eligible for the benefits of this Act for injuries or illnesses incurred in the performance of duty, i.e., ~~one~~ ^{under} proximately caused or materially aggravated by the performance of officially assigned duties. The coverage of the Act extends to Federal employment any place in the world.

Among the benefits provided by FECA are full hospital and related care, compensation for loss of wages (in lieu of the use of sick and annual leave), compensation for permanent disability, and compensation to certain named survivors in case of the ~~employee's~~ death.

Civil Service Retirement Act

~~your~~ Employees may retire at the following ages ~~provided you have~~ ^{with at least the} ~~minimum~~ ^{minimum} ~~years of~~ ^{years of} Federal service ~~choose~~:

Earliest Age	Minimum Years of Service	Remarks
62	5	[?]
60	30	[?]
55	30	Annuity reduced for age.
50	20	Must be involuntarily separated; annuity reduced if under age 60.
any	25	Must be involuntarily separated; annuity reduced if under age 60.

~~SECRET~~

Approved For Release 2001/07/28 : CIA-RDP78-04724A000100090010-5
~~NOFORN~~

~~CONFIDENTIAL~~
Civil Service Retirement will provide an annuity for your widow and children if you should die while a Federal ~~employee~~ after having five years of civilian service. Your widow will receive 50 per cent of an annuity based on your "high-five" average salary and years of service. In addition, each child will receive an annuity of 40 per cent of the employee's "high-five" average salary divided by the number of children. However, annuity to any one child is limited to 600 dollars a year, and the total to all children cannot exceed 1,800 dollars a year.

~~CONFIDENTIAL~~
The chart ~~enclosed~~ offers a quick method of computing annuities up to 5,000 dollars per annum. *(See inside back cover)*

Social Security

~~CONFIDENTIAL~~
Act. Employees are generally covered by the Civil Service Retirement system. Some may be covered by Social Security or have covered employment elsewhere. Social Security deductions represent a tax of 2 1/4 per cent on earnings. The employer pays an equal amount. The maximum taxable earnings are 4,200 dollars a year and minimum taxable earnings for a quarter is 50 dollars.

~~CONFIDENTIAL~~
Re: ~~maximum~~ maximum credit of 40 quarters qualifies an individual for retirement benefits at age 65. Women may retire at age 62 with reduced benefits. A widow with children under age 18 may be entitled to benefits if the husband earned 6 creditable quarters out of the 13 quarters preceding his death. Disabled workers may qualify for benefits under certain conditions.

Federal Employees' Group Life Insurance

~~CONFIDENTIAL~~
FEGLI is term insurance sponsored by the Federal Government that has no cash, loan, paid-up, or extended insurance values. Employees are automatically covered unless they elect to waive the insurance. During employment, FEGLI provides life insurance, accidental death and dismemberment benefits. The insurance ~~amount~~ amount ~~approximate~~ ~~current~~ ~~annual~~ salary ~~or~~ to the next 1,000 dollars ~~then~~ ~~25~~ cents ~~per~~ 1,000 dollars ~~for~~ ~~each~~ ~~employee~~ ~~and is automatically deducted from your pay check for~~ ~~you~~

Overseas Medical Benefit Programs

~~CONFIDENTIAL~~
Expenses incurred by ~~dependent~~ ~~overseas~~ hospital and related medical expenses incurred by staff personnel on PCS assignments outside our country, its territories and possessions. Employees who are overseas on temporary duty ~~are~~ ~~not~~ excluded. The program covers only those injuries which require or normally would require hospitalization and which are not the result of vicious habits, intemperance, or misconduct.

~~CONFIDENTIAL~~
Expenses incurred by dependents, ~~eligible overseas employees~~ may also be reimbursed under the same circumstances as are related above, for injuries or

13
~~SECRET~~

~~NOFORN~~

Approved For Release 2001/07/28 : CIA-RDP78-04724A000100090010-5

SECRET
NOFORN

Approved For Release 2001/07/28 : CIA-RDP78-04724A000100090010-5

illnesses incurred while the dependent is located abroad which require hospitalization. ~~an~~ ~~Coverage for dependents is for the cost of treatment which exceeds 35 dollars up to a maximum of 120 days of treatment. This maximum limitation may be waived when the dependent's condition clearly was caused by the fact that the dependent was located abroad.~~

Expenses for maternity, elective and cosmetic surgery, and ordinary dental care are excluded.

Organization Sponsored Benefits

o sponsored for CEB

GEHA Plans

Income Replacement

Payment This plan provides for the payment of up to 100 dollars a week for periods of disability, beginning with the 31st day for up to 10 years if the cause is illness and for life if the disability is the result of accident. This benefit is paid in addition to other benefits you may have.

Hospitalization and Surgical Plan

This plan provides for the cost of a private room, up to 13 dollars and 50 cents a day for 90 days in any hospital. This plan also allows for payment up to 202 dollars and 50 cents, plus 75 per cent of the covered hospital extras up to 5,000 dollars of benefits.

WAEPA and UHLIC Life Insurance

These are two term insurance plans which include payment of accidental death benefits under certain circumstances.

Dread Diseases

This plan covers polio, leukemia, scarlet fever, diphtheria, smallpox, spinal or cerebral meningitis, encephalitis, tetanus, and rabies.

Travel Plans

"Travel-matic", "Air Flight Trip Insurance", and "Flite-Plan" are available to travelers.

NOTE: For details on the above insurance plans, consult GEHA's booklet entitled, "Your Health and Life Insurance Program."

SECRET
NOFORN

Approved For Release 2001/07/28 : CIA-RDP78-04724A000100090010-5

Mortgage Insurance

GEHA's term insurance may also fulfill another of your needs -- payment of your mortgage.

GEHA's UBLIC and WAEPA policies are ideal for taking care of that mortgage redemption problem facing your family. How can this be done? Take two examples: You purchase a home with a trust of 20²⁸,000 dollars. Purchase a WAEPA policy in the amount of 15,000 dollars and a UBLIC for the same amount and your mortgage is taken care of, should you die before your debt is liquidated. As you reduce the size of your debt, you can elect to reduce your insurance or retain the full amount and provide, in addition to payment of the debt, additional income for your family. The cost of the protection afforded in this example is surprisingly low:

	<u>Dollars</u>
WAEPA - Under 41 years of age	- 8.33 monthly
UBLIC - Any age	- <u>9.15 monthly</u>
Total	17.48 monthly

Assume that your debt from purchasing a home is 10²⁸15,000 dollars. UBLIC provides policies in the amount of 9,000 dollars (5 dollars and 49 cents monthly cost), 12,000 dollars (7 dollars and 32 cents monthly cost), or 15,000 dollars (9 dollars and fifteen cents monthly cost).

One difference between using GEHA's term insurance for mortgage protection and the type purchased from outside companies is that these companies provide a term contract which reduces each year during the mortgage period eventually to a small paid-up policy. The cost of this outside insurance is higher than GEHA's term insurance. For example, an available contract covering a 10,000-dollar mortgage, with a paid-up policy at the end of a 20-year mortgage period, costs 128 dollars annually. The same 10,000-dollar mortgage would be covered by UBLIC at a cost of 73 dollars and 20 cents annually.

Of course, if you need this mortgage protection in addition to the full-term protection provided by WAEPA and UBLIC, you will have to consult your private insurance agent.

Savings

Two easy and painless ways to save are available to our employees. One is by regular and periodic deposits to our Credit Union; if you are overseas, a direct payroll deduction can be authorized for this purpose. The Credit Union pays dividends or interest depending on its earnings for each year. Last year a dividend of 4 1/2 per cent was paid.

Another way is by authorizing your bank to regularly deduct from your checking account an amount for the purchase of Savings Bonds. This can be accomplished by a simple letter to your bank.

Regular savings are encouraged so as to meet future needs, such as the purchase of a home, education of children, and to provide for unforeseen emergencies against which you are not already protected.

Do I Need a Will?

This question should be asked by each employee. The answer will depend on the specific circumstances of each case. Keep one thing in mind, however; the size of your estate may not necessarily be the controlling factor in your decision. Wills are not ~~alone~~ intended for ~~the man~~ with a large estate. A man with a small or medium-sized estate may also require a will. On the other hand, your estate may be of such a nature that full settlement of your affairs can be accomplished without a will. For example, an employee can designate beneficiaries to receive payments of FEGLI, lump-sum retirement, unpaid compensation and GEHA life insurance. At the same time, he can ~~keep his~~ credit union account, bank accounts, savings bonds and securities jointly with his wife or other intended beneficiary. (NOTE: It is wise to seek legal advice on joint ownership since there are many legal technicalities involved which might have a bearing on which assets should be of a joint ownership nature.) Upon the employee's death, these various benefits will pass to the designated beneficiary or joint owner without any probate proceedings.

~~want~~ The employee may desire to distribute his estate in a more flexible manner and ~~in such a way as to anticipate certain difficulties, for~~ guardianship problems, ~~and~~ simultaneous death of a family group in a common disaster. In ~~these~~ cases, the estate owner should have a will.

Burial in National Cemeteries

Burial in a National Cemetery to most people means burial at Arlington. There are, however, national cemeteries in almost every state as well as in the territories. You might be interested in knowing the requirements for burial at these locations.

Any member of the Armed Forces dying in active service or former member whose last active service terminated honorably is eligible for burial in a national cemetery in which grave space is available. If the spouse of an eligible service member should die first, he or she may be buried in a national cemetery provided the service member submits a statement that upon his or her death, he or she will be buried in the same or adjoining grave. Upon the submission of a similar certification, minor children of the service member may also be buried in a national cemetery, but only in the same

grave in which either parent has been or will be interred.

There is no charge for the gravesite in a national cemetery or for the opening or closing of the grave. As soon as possible after interment, the grave is marked with a Government headstone, furnished and erected at Government expense.

(Determine on what page this should be inserted.)

Some Typical Monthly Survivor Benefits for a Widow and Two Minor Children

<u>Income</u>	<u>FECA¹</u>	<u>Retirement²</u>			
		<u>Years of Service</u>	10 year	15 year	20 year
<u>Dollars</u>		<u>Dollars</u>			
4,000	233.00	128	145	161	178
5,000	291.66	134	155	176	196
6,000	350.00	141	166	191	216
7,000	408.33	147	177	206	235
8,000	466.66	154	188	221	254
9,000	525.00 ³	161	198	236	273
10,000	525.00 ³	168	209	251	293
11,000	525.00 ³	174	220	266	312
12,000	525.00 ³	181	231	281	331

¹If death was incurred in performance of duty.

²If income listed is employee's high 5-year average.

³Maximum death benefit provided by FECA.

N. B. - If widow and/or children are entitled to FECA and Retirement death benefits, they must elect which benefit to receive. If FECA benefits are elected, payment of lump-sum retirement withholdings is made to beneficiary.

WHAT THE BENEFITS AND CASUALTY DIVISION CAN DO FOR YOU

The Federal and Organization-sponsored programs previously described are administered by the Benefits and Casualty Division, Office of Personnel. In its conduct of these programs, BCD makes every effort to process insurance, medical, and retirement claims expeditiously. In FECA claims, which require extensive documentation and accumulation of evidence, BCD assists in the gathering of information and assures the presentation to the Bureau of Employees' Compensation of a complete and forceful claim. Wherever applicable, as in the case of FECA, retirement, and insurance claims, considerable liaison is maintained with the Federal Agencies and companies concerned.

Casualty Program

BCD's Casualty Affairs Branch (CAB) also administers ~~the Organization's~~ Casualty Program, the extent of which may not be generally known throughout the Organization. Knowing that such a program exists may ease the concern of employees about survivor entitlements and the manner in which their ~~Organization's~~ affairs would be settled.

Upon notification of a death, whether in ~~the United States~~ ^{your country} or overseas, CAB assumes control of the case. Working closely with other ~~Organization~~ components, CAB will arrange for proper notification to survivors and will render them as much assistance as possible. If death occurs overseas, CAB will direct the return of the body to the place of interment and will also attend to the other obvious details present, i.e., return of family members in the area, shipment of personal and household effects, etc. At the same time, CAB conducts, in all death cases, an immediate review of all benefits to which survivors may be entitled; i.e., unpaid compensation, insurance, death benefits of the Retirement System, FECA, Social Security, credit union, etc.

As soon as proper under the circumstances and if possible, by personal visit, CAB representatives ~~are~~ in touch with survivors. These representatives will advise the survivors of all benefits available and will obtain signatures to required forms ~~which~~ ^{which} will have been completed in advance of the visit from information contained in the deceased's official personnel folder. Every attempt is made to minimize the effort of the bereaved survivors. The various forms are then processed and expeditiously settled. By the immediate review of benefits and personal contact with survivors, the survivors (particularly widows and children) are spared ~~the~~ worry about the future financing of their daily needs -- if benefits are available -- and the ordeal of inquiring about and searching for the means to obtain these benefits.

An understanding of the scope of this service should be comforting to the employee, since he can be certain that his widow, children, and other survivors will be assisted

SECRET

NOFORN

Approved For Release 2001/07/28 : CIA-RDP78-04724A000100090010-5

and guided through the emotional period ~~of~~ death. Often, however, this service is complicated by certain difficulties which only the employee can avoid. You should correct these problems now if they apply to you. For example, one of the most important and immediate considerations facing CAB is notification of death to the emergency addressee selected by the employee. Sometimes these designations are useless, since they are of such a nature as to make contact with the addressee impossible, or at least very difficult. Therefore, the following points should be kept in mind with respect to emergency addressees:

1. Select someone capable of receiving immediate notification and making decisions on your behalf, despite the emotional shock present. Selection of an aged or ill parent often defeats the purpose, since the severe emotional shock accompanying the notification could create a new physical or mental crisis. If faced with this problem, CAB will avoid direct notification to the aged or ill parent and will search for someone

~~who can act as intermediary and soften the initial announcement to the parent, i.e., brother or sister, family doctor, or family church head~~) Keep this in mind, and select someone who can absorb the emotional impact of the notification and at the same time act on your behalf.

2. Your official records should show whether or not your designated emergency addressee is aware of your Organization affiliation. A great deal of effort and concern is devoted to resolving this question so that, when notifying the addressee, security and cover implications are protected.

3. Be sure that your designation of an emergency addressee is always current and that any change of status is immediately reported ~~to Headquarters~~ *directly to CIA*. Current designations and addressees are vital to a proper handling of the case.

While the casualty program has been described in connection with deaths of employees, the services of the Casualty Affairs Branch apply as well to cases of serious injury or illness of employees and also to deaths, serious injuries, or illnesses of dependents, accompanying the employee to overseas assignments.

Important Documents You Should Have

Here is a brief list of the important documents you should consolidate for use as evidence of your survivor's entitlement to benefits:

Your birth certificate, and one for each member of your immediate family. Naturalization papers (if not born in our country).

Marriage certificates (including former marriages of you or your wife).

Divorce decrees of both you and your wife.

Court orders pertaining to support and custody of your legal dependents (including you or your wife's children by a former marriage, or adopted children).

Death certificates of children, former wife, or former husband of your wife.

SECRET

NOFORN

Approved For Release 2001/07/28 : CIA-RDP78-04724A000100090010-5

- *Deeds and mortgage documents.
- *Insurance policies.
- *Bank accounts, Savings Bonds, securities.
- *Wills.
- *Power of attorney.
- *Proof of military service.

Keeping Your Papers Safe.

You should make every effort to retain the original of these documents. It is advisable to have an adequate number of photostatic copies certified by the custodian of such records. The documents are obtained from various sources. Your County Clerk or a similar official can provide certificates of marriage, deeds, mortgages, or court orders. Adoption, birth, and death certificates can be obtained from the Vital Statistics and Welfare Department of the state concerned. All your important documents should be stowed away in a safe place. A safe-deposit box, with the right of entry given to a dependent or other trusted individual, is one of the safest places to keep important papers.

The introduction ^{to} in this Bulletin announced a new service to Organization personnel, concerning the maintenance of a personal file. Do not confuse this with ~~one's~~ official personnel folder. What is proposed is a file in which can be stored copies of ~~an employee's vital documents~~ ~~the record~~ ~~before~~. The originals of such documents should be maintained in another safe place.

Any employee desiring this new service should contact our Casualty Affairs Branch. If interested employees are overseas or otherwise located away from headquarters, their desire can be transmitted by memorandum.

Personal files containing these vital documents will be maintained separately from an employee's official personnel folder. These files will be maintained on a highly confidential basis, protecting the employee's privacy, and will become a matter of ~~Organization~~ action only upon specific request by the employee or, upon his death, as part of the settlement of his affairs.

2/

SECRET

NOFORN

Approved For Release 2001/07/28 : CIA-RDP78-04724A000100090010-5

Approved For Release 2001/07/28 : CIA-RDP78-04724A000100090010-5

TO:		DATE
ROOM NO.	BUILDING	19 March 1958
REMARKS:		
<p>Here is a draft of the special issuance of the Support Bulletin which I appreciate you would give some early attention. The original has been sent down to Personnel for any final changes, review for correctness, etc. Also, please see me.</p> <p><i>for your information Said and done 3/28/58</i></p>		
FROM:		
ROOM NO.	BUILDING	EXTENSION

Approved For Release 2001/07/28 : CIA-RDP78-04724A000100090010-5